

Extra In-depth Comparative PESTEL Analysis to Support Selected Market in Task 2

External Drivers			
Political	Positive	- Strong democratic setup - Improving ties with Canada	- Stable government - Strong policymaking framework
	Negative	- Overburdening government regulations - Uncertainty over US policy - High corporate tax (30%)	- Strong policymaking framework - Threats of strikes from workers in the hydrocarbon sectors
Economic	Positive	- Mexico is the world's 12th largest economy - Active participation in FTAs - Resilient economy - Declining dependence on the oil sector	- Efficient macroeconomic policy implementation - High disposal income - Low income inequality - The workforce is highly skilled and educated
	Negative	- Issue of growth disparity - Overdependence on the US economy - High security and operational risks may disrupt the business environment	- The economy depends extensively on energy sector - Productivity issues - Low diversification - Very high household debt
Social	Positive	- Universal health coverage - Education system reform	- High standard of living - Increasing collaboration with North American countries on higher education and research - Strong participation of women in the labour market
	Negative	- Insufficient healthcare spending and resources - High inequality	- High incidents of sickness absence among fulltime employees - Preference of leisure over labour - Influx of asylum seekers and refugees - Aging population
Technological	Positive	- Strong technical workforce - Start-ups and high-tech manufacturing	- High degree of full-time researchers - Government focus on bio-technology
	Negative	- Low R&D spending - Low subsidies from the government for R&D expenditure	Slowdown in innovation due to regulations